

STATE OF WASHINGTON

Phone: (360) 725-7000

MIKE KREIDLER
STATE INSURANCE COMMISSIONER



1750 10/04/06

\$1,500.00

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)

No. D06-254

HARCO NATIONAL
INSURANCE COMPANY,)

CONSENT ORDER
IMPOSING A FINE

An Authorized Insurer)

Findings of Fact:

1. HARCO National Insurance Company ("HARCO") is authorized to conduct insurance business in Washington State. It issues property, casualty, marine transportation, vehicle, and surety insurance.
2. HARCO completed filing its calendar year 2004 Audited Financial Statements with the Office of the Insurance Commissioner ("OIC") on December 14, 2005.
3. HARCO completed filing its calendar year 2005 Annual Statement with the OIC on May 11, 2006.

Conclusions of Law:

1. HARCO's failure to timely complete filing of its calendar year 2004 Audited Financial Statements and its calendar year 2005 Annual Statement constitutes two violations of RCW 48.05.250.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

HARCO consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. HARCO consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner, related to the subject matter of this Order.
2. Within thirty days of the entry of this Order, HARCO will pay to the Insurance Commissioner a fine in the amount of \$1,500 (one thousand five hundred dollars).



3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by HARCO in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 28th day of September 2006.

HARCO NATIONAL INSURANCE COMPANY

By: Maribeth Kalberg

Printed Name: Maribeth Kalberg

Printed Corporate Title: AVP & Controller

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. HARCO National Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$1,500 (one thousand five hundred dollars).
2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 9th day of October 2006

MIKE KREIDLER
Insurance Commissioner

By: Marcia G. Stickler
Marcia G. Stickler
Legal Affairs Division